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THE DILLON HERALD, DILL SOUTH CAROLINA, THURSDAY MORNING, OCTOBER 7, 1920

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## McLAURIN ON COTTON

Hor Jno. L. McLaurin has sent the following letter to Editor Grist, of the Yorkville Enquirer:

The cotton growers are confronted with a situation more serious in its consequences than 1914-1915.

Cotton dropped suddenly then from 12 cents to 7 cents—about 5 cents a pound. Now it has dropped from over 40 cents to around 20 cents.

This in the full time of prosperity, when the people of Europe are half naked crying out for clothes.

Every year leads to a period of inflation, which is followed by a panic. The Federal reserve act was supposed to guard against rapid deflation, and it does, if carried out according to the purpose of the act.

With almost unlimited power to inflate, it was necessary to create a corresponding power to deflate, but it was expected that the board would exercise common sense and justice in wielding the enormous powers conferred upon them in either case.

The act itself is a grand conception almost perfect, but it was never expected that bankers alone should dictate its policies, or that a man who seems so totally devoid of practical wisdom as Houston should be secretary of the treasury.

Under his policy, the price of cotton is not to be fixed by the law of supply and demand, but by the Federal reserve board, through its power to expand and contract credits.

Before the passage of the Federal reserve act, our surplus cotton, as finished by acceptances or bills of exchange on English banks.

After the passage of the Federal reserve act, this surplus cotton has been financed through the Federal reserve banks.

Now Mr. Houston coolly tells us to go elsewhere. Where can we go? England cannot carry the surplus cotton and we have not time to make other arrangements.

For cold blooded, pitiless audacity Houston makes the ghost of Captain Kidd envious. What does it mean?

If Mr. Houston means suddenly to go the limit allowed by the Federal reserve act in deflation and he seems to take pleasure in making it plain, that he does, then we must get on a gold basis at once.

No nation has been on a gold basis since 1917, when we declared war, and issued bonds which the treasury allowed banks to enter as deposits, thereby increasing the currency in circulation just the amount of the bond issue.

The Federal reserve act provides for a reserve of 40 per cent. in gold to protect its notes. This cannot be done. It is a physical impossibility at this time, because if all the available gold in the world were stacked up in the treasury, it would not equal 40 per cent of the notes outstanding.

The Federal reserve act is a new departure in finance and must be construed according to its intent and purpose. It was intended to provide credit to meet the business needs of the country by the creation of an elastic system which would expand or contract as those needs arose, and not according to the arbitrary will of a star chamber board in Washington.

What right have either Harding or Houston to say when prices are too high or too low? Money and credit are the life blood of the nation. They are medium of exchange and should ebb and flow freely as the body demands.

Government policy in thirty days makes a dollar buy twice as much of my cotton and doubles the debt contracted in making that cotton grow.

The people of the United States will never stand for a policy, which will double the wealth of the rich and at the same time double the poverty of the poor, thus repeating on a gigantic scale "the crime of 1873."

## GOVERNOR HARDING ON FARM MARKETING

Clemson College, Oct. 6.—The extracts below from an address of Hon. W. P. Harding, governor of the Federal Reserve Bank, should be of interest and encouragement to South Carolina farmers.

"Speaking for myself personally, I desire to say, however, that I am a firm believer in gradual and orderly methods of marketing our great agricultural staples. Agriculture is the most important of all industries, for upon its fruit depends the lives of those engaged in all other industries.

The farmer is a great consumer of manufactured products and anything that affects his buying power is soon reflected in the business of the merchant and the manufacturer. While the individual farmer may be just as well off with small production and high prices, the mass of the population is far better off with full production and moderate prices.

But farming as a business must be remunerative or production will languish. It is, therefore, important that the efforts of the farmer be supported and stimulated, that he be aided in preserving the full measure of his harvest and that he be afforded an opportunity of marketing his products on terms sufficiently profitable to warrant his staying in the business of farming.

Great staple crops, the production of which extends over a period of several months, must meet the requirements of consumption for a full year and in order to prevent possibility of shortage it is desirable, that there be a reasonable surplus held over from one crop pending the marketing of the next.

The gradual and orderly marketing of our great staple crops is, therefore, a matter of importance both to producers and consumers. The dumping upon the market within a short period of time of a large part of a crop, consumption of which extends throughout the year, means not only a loss to the producers, often to those who can least afford it, but involves also a great strain upon our transportation facilities and upon the banks in providing the funds necessary for large purchases in advance of actual requirements for consumption.

Dumping of farm products promotes speculation and usually results in higher prices to the ultimate consumer. Farm products, however, should not be hoarded or held back from the market by use of credit merely in the hope of forcing prices up to an artificial level. It is estimated by some that the value of this year's staple crops will be around \$22,000,000,000, and it is manifestly impossible for any banking system to provide funds to withhold these staples entirely from the market.

There is no occasion to discuss the questions of public policy involved for it is clear that the volume of our great staple crops is so large and the value so enormous, that any efforts to vaporize them by means of bank credits would inevitably result in disaster by the operation of economic law.

But I think that all reasonable assistance should be given producers to enable them to market their crops in an orderly way provided they are willing to sell enough to meet current requirements and that consumers should concede to the farmer reasonable profits in order that future production may be adequate.

Open Market Needed  
What is needed is an open market in which the law of supply and demand is given free play and in which buyer and seller may meet on equal terms.

Theoretically at least it is possible, if adequate warehousing facilities are provided, for the farmer to obtain the benefit of the average price for the year without any increase in cost to the consumer and with lessened strain upon transportation lines and banks by distributing the marketing process over a reasonable period."

PRICES AS GOOD AS LAST YEAR  
The Laurinburg Exchange says: If there is anybody who is blue about the present price of cotton they will do well to remember the prices paid last fall. Here are the actual figures for the local market last year: September 20, 1919, 28 cents; September 2, 1919, 28 1-16 cents; September 15, 1919, 27 cents.

It is also a fact that considerable cotton was sold on contract in 1919 at prices ranging from 21 to 33 cents a pound. This year most of the contract prices range round 35 cents a pound. The cotton market has not collapsed yet. About a thousand bales have been marketed here this month and the movement is gaining in volume daily.

cotton is an export crop such of it as is sold abroad fixes the price at home. I am still firmly of opinion that we will never be able to feel secure against hostile manipulation until each state has its own warehouse sales and financial system. Events as I see them, are rapidly justifying this belief, and further I will say that it ought not to be a very difficult undertaking to bring about a complete realization of the idea. Georgia, North Carolina, Louisiana and Texas all now have laws modeled after the South Carolina laws, and it should be but a comparatively easy task to bring these separate systems into one comprehensive irresistible consolidation.

Yours truly,  
JOHN L. McLAURIN.

## READJUSTMENT IN BUSINESS CAUSE FOR CONGRATULATION

If Corrective Processes in Trade Had Not Set In, Upshot Could Only Have Been Disaster, Says Writer in Philadelphia Public Ledger.

A young woman began to grow abnormally fat. She didn't have to exert herself to earn her living, and the fatter she grew the lazier she became. She began to have trouble with her health. The symptoms became alarming. The doctors told her that if she kept on gorging herself with rich foods and sweets and didn't buckle down to rigid exercise she must expect to suffer a grave collapse.

At first she thought doctors were needlessly alarmed and she refused to mend her ways. Finally, however, she realized that if she went on her gluttonous, lazy way the troubles she was then experiencing would doubtless lead to disaster.

So she began to consume less rich food and candy and put forth some effort to get back toward normal form. Having become accustomed to luxury and ease, the dieting and exercising processes were distinctly unpleasant to her. She complained much, but the doctors assured her that her self-denial and painful sweating were improving her condition most encouragingly.

That young woman typifies business. Business was gorging itself with rich profits and consuming inordinate quantities of credit. It did not have to exert itself strenuously because things came its way easily. The only competition was the competition of buyers to get goods.

Unnatural conditions were thus brought about. The financial doctors clearly foresaw that disaster lay ahead unless business stopped gorging itself with excessive profits and experienced the healthful exercise bred of real competition. They accordingly reduced the amount of food—credit—supplied business, and it became a little more necessary to put forth exertion to earn a living.

Corrective Processes Cause of Congratulation.  
The corrective processes are now in full force. Instead of causing alarm, they are cause for congratulation, because if they had not set in the upshot could only have been disaster.

What is happening now OUGHT to happen. Almost every recent development makes for strength. There was grave cause for alarm BEFORE prices began to move downward.

There is no grave cause for alarm now. Of course, it isn't pleasant to be put on a diet and to have to reduce. Medicine rarely tastes sweet. Industry is beginning to feel somewhat hungry and financial doctors have been and are prescribing rather bitter doses of medicine. Instead of a chase on the part of buyers for goods there is now a chase for business.

What, specifically, has been happening and what is the outlook for further developments? Broadly, finished products are falling, in most cases, very substantial declines in raw materials. Obviously, this is as it should be—even although it may be difficult for those directly affected by tumbling prices to recognize that this is desirable. Certainly no reader of these business surveys will have been surprised at what is now occurring, for both the necessity and the inevitability of falling prices have been emphasized over and over again.

It took no prescience to foresee, first, that credit expansion would have to be severely checked, and that this, in turn, would check the rampant speculation and force goods on the market. Moreover, it became clearly evident months ago that the public was incensed over extortionate prices and that reckless buying was diminishing.

Wide Variety of Commodities in Downward Swing.  
Raw materials were the first to break. Wool tumbled headlong. Silk dropped even further. Rubber fell to one-third of its previous price. Leather became unsalable. Cotton persisted in bucking the general trend and in July rose well above forty cents a pound, but it also has since been declining sharply and December deliveries are now quoted under twenty-four cents a pound. A wide variety of miscellaneous materials and commodities have for months been gravitating away from their wartime levels, including, for illustration, cottonseed oil, lard, meats, many chemicals, coffee, sugar, lumber, coke and even coal in bulk. Wheat is down to \$2.25 a bushel. December corn has fallen below \$1 a bushel for the first time since the wartime rise and September oats are under fifty-five cents a bushel. Moreover metal industries after their phenomenal boom, began some time ago to feel the effect of the downward swing.

Why, therefore, should any astonishment whatsoever be expressed over the price-cutting of finished goods which is now going on? Price-cutting of goods was inevitable. With wool selling at less than half its former price, surely it was to be expected that the American Woolen Co., and other manufacturers would announce lower prices for their product manufactured out of the lower priced raw material.

Cotton having fallen ten to fifteen cents per pound, there should have been no surprise over the drastic cuts in goods announced by the Amoskeag Manufacturing Co., and others last

## THE PEE DEE BAPTIST ASSOCIATION TO MEET HERE NEXT WEEK

As previously announced the forty-third annual session of the Pee Dee Baptist Association will be held with the First Baptist church of Dillon Tuesday and Wednesday, October 12th and 13th.

The order of exercises as carried in these columns last week indicates an interesting meeting. The first session will be held Tuesday morning at 10:30 o'clock and sessions will be held in the afternoon and at night and two sessions Wednesday.

The representatives of the various denominational interests will be present to address the association from time to time. Among these it is announced that Rev. T. J. Watts, of the Sunday school commission; Dr. W. T. Derieux, of the Mission Commission; Dr. C. A. Jones, of the Education Commission, and Dr. C. E. Burts, of the General Board, and Rev. W. M. Whiteside, of the Baptist Hospital, all of Columbia, will attend.

Rev. Maxcy White, of Greenwood, will represent the Connie Maxwell Orphanage, and Dr. Z. T. Cody, editor of the Baptist Courier and Dr. F. J. McGlothlin, president of Furman University, in addition to addressing the association Tuesday morning, are expected to make addresses at the special services arranged for Tuesday evening at 7:30. The people of community are cordially invited by the pastors of the church to attend the services. The association covers the territory of Marlboro, Dillon and Marion counties.

## DILLON COUNTY STAFF SIXTY-ONE IN LIST

Columbia, S. C., Oct. 5.—South Carolina Democrats have raised about one-third of the amount expected by the national committee. A general call to speed up the collection of funds have been sent out from State headquarters. Every Democrat in the state who has not contributed is urged to do so at once.

It is pointed out at Southern headquarters of the party that there is an excellent chance to win not only the President but the Senate. The following amounts have been received by General Willie Jones from the different counties of the state:

- Abbeville, \$6.00; Aiken, \$327.00; Allendale, \$300.00; Anderson, \$634.00; Bamberg, \$144.00; Barnwell, \$332.00; Beaufort, \$6.00 Berkeley, \$12.00; Calhoun, \$216.00; Charleston, \$353.15; Cherokee, \$322.60; Chester, \$832.00; Chesterfield, \$175.00; Clarendon, \$158.00; Colleton, \$5.00; Darlington, \$1,138.75; Dillon, \$817.93; Dorchester, \$86.00; Edgefield, \$250.00; Fairfield, \$262.00; Florence, \$62.00; Georgetown, \$1.00; Greenville, \$1,268.94; Greenwood, \$42.58; Hampton, \$182.75; Horry, \$178.00; Jasper, \$1,126.00; Lancaster, \$15.00; Laurens, \$196.08; Lee, \$368.00; Lexington, \$307.50; McCormick, \$200.00; Marion, \$251.75; Marlboro, \$344.75; Newberry, \$807.50; Oconee, \$234.00; Orangeburg, \$422.25; Pickens, \$226.50; Richland, \$2,733.00; Saluda, \$62.00; Spartanburg, \$1,028.00; Sumter, \$604.00; Union, \$646.25; Williamsburg, \$257.35; York, \$470.00.

Price Cutting Notices in Order  
In the same way, the price-cutting statements issued by the largest mail-order houses were absolutely in order at this time, for the extent of the readjustment which has been taking place in raw materials and in trade conditions has been very substantial, as these specimen cuts announced by Julius Rosenwald, head of the country's largest mail-order house, reflect: "Standard percale, from 40 cents a yard to 19 cents; silk taffeta, from \$2.57 a yard to \$1.48; sheeting from 27 cents to 15; muslin from 35 cents to 15; flannel, from 43 cents to 29; gingham, from 39 cents to 23; overalls, from \$2.50 to \$1.48; women's shoes, from \$4.98 to \$3.98; Ford size automobile tires, from \$18.10 to \$13.45."

Will there be more price-cutting? Certainly there will. There are still a great many lines of goods that have been maintained on a wartime rather than on a peace time basis. Each and every one of them must inevitably find a more normal level helped along by the transformation underway in our foreign trade inflow and outflow.

The outlook is for a period of price uncertainty and timid buying. Merchants are always more eager to buy in a rising than in a falling market. Moreover, consumers in an ugly mood; they feel that they have been gouged and they are consequently in no haste to buy anything they can get along with.

But looking beyond the settled and uncertain conditions, what can be discerned? Before, Long Market Will Show  
I know long headed financiers and corporation executives who are already arranging to contract for very large quantities of raw materials which have become demoralized in price. These successful students of business calculated that certain ma-

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## COUNTY FAIR OPENS OCTOBER 19TH

Everything Ready for the Opening of County's First Fair Tuesday, the 19th.

Promptly at 9 o'clock Tuesday morning, October 19th, the gates to the Fair Grounds will be thrown open to the public and Dillon County's first fair will be under way. The buildings have been completed, space has been allotted to exhibitors and everything is in readiness for holding a most successful opening fair.

Judge Joe Cabell Davis has just returned from Norfolk where he made arrangements with one of the largest carnival companies in the country to exhibit at Dillon during fair week. Judge Davis says this will be the largest carnival that ever visited this section of the state. The company has just closed an engagement with the Norfolk fair and all the attractions the company had at Norfolk will be brought to Dillon.

There will be two free acts daily, one in the morning and the other in the afternoon. These free acts will be given in front of the grand stand. The hour at which they will be given will be announced by a crier in the mornings and afternoons.

In addition to the other features which will usually go with county fairs, there will be horse racing every afternoon during the week. The Dillon Fair has been placed on the circuit for this state and North Carolina and a big bunch of horses will be on hand.

The prospects for a most successful week are very encouraging. Exhibits are being received every day and the indications are the buildings will be full on the opening day. A full program will be announced next week.

## THREE NEGROES LYNCHED BY MOB

Charged With Complicity in Murder of Well Known Young White Farmer.  
MacClenny, Fla., Oct. 5.—Three negroes, Rayfield Givens, Ben Givens and Fulton Smith, charged with being implicated in the murder of John Harvey, well known young farmer of Baker county, last Saturday night, were taken from the Baker county jail by a band of armed men at 1 o'clock this morning and lynched.

The negroes were removed to the outskirts of MacClenny, tied to trees and shot to death. It is stated there were about 50 men in the band which suddenly appeared at the county jail, overpowered Sheriff Sweat, secured his keys and removed the negroes from the jail.

Jim Givens, the negro charged with actually firing the shots which killed Mr. Harvey escaped immediately after the shooting and is still at large. Posses are on his trail and it is believed his capture is only a matter of hours.

Harvey was shot to death at Knabb's Turpentine camp, about 11 miles northeast of MacClenny, Saturday night.

Following the killing the negroes escaped but three of them were captured and lodged in the MacClenny county jail. Although feeling ran high against the blacks, it was not thought that any attempt would be made to lynch them as the negro charged with the actual killing was still at large.

However, Sheriff Sweat was awakened at 1 a. m. today and ordered to turn his keys over to the half hundred men who surrounded the jail. The sheriff demurred, but was quickly overpowered and the negroes taken from the jail.

They were conveyed out on the road towards Glen St. Marys and in plain view of the highway were summarily dealt with. Immediately after the lynching the band dispersed, and left three bodies tied to three trees.

Sam Duncan, another negro, was found shot to death in MacClenny later in the day. This made the fourth death in connection with the murder of Harvey. It is not known whether Duncan was implicated in the murder.

MacClenny was quiet tonight and no further trouble is expected unless Jim Givens is apprehended.

## DILLON'S CENSUS DISAPPOINTING

There is keen disappointment over the bureau's announcement that Dillon has only 2,205 citizens. In 1910 the census gave Dillon 1,757, and the gain of only 448 citizens not only is disappointing but surprising to many who have kept up with the town's growth. There seem to be almost twice as many store buildings in Dillon today as there were in 1910 and a conservative estimate places the increase in the number of houses at one-third. In addition to this the corporate limits have been extended and therefore the actual gain in population is very small. The census does not take in the mill villages, which have a population of about 1,000.

## COUNTY NEWS CALVARY

M. T. Wormack, of Orangeburg, was here last Friday and met with Hamer Lodge, K. of P., Friday night at this place and delivered an excellent address to the members.

Messrs. D. W. Bowen and A. T. McKenzie went over to Hartsville a few days ago to represent Hamer Lodge, K. of P., in a district convention, and reported a good trip with their automobile.

Julie Smith and family, of pleasant Hill section, were here Sunday last.

Joseph Herring and family, of Raynham, N. C., spent Sunday last in this section. Mr. and Mrs. W. A. Bowen were called to the Zion section on Friday last because of the death of one of the latter's aunts.

The death angel visited the home of Mr. and Mrs. Charlie Stephens on Thursday afternoon last and took to dwell in mansions of glory their little daughter, Elizabeth, five weeks old. The young father and mother have the sympathy of the community.

There has been but little cotton gathered here since the storm. Dirty cotton and low prices are not very encouraging. Mr. W. J. Hayes did not keep his new horse long, but got his peson-tail mule back and he and family spent last week-end in the Hamer section. Come again, Billie. Will trade you an ox. He will take you over safe.

SELLERS.  
The following ladies have registered and are entitled to vote at the Sellers precinct in the coming election: Mrs. Lucy Sellers Watson, Mrs. Nettie Barry Watson, Mrs. Marguerite Smith, Miss Jessie Smith, Miss Mattie Price. We trust that the women of the country will stand together for the enforcement of prohibition and for cleaner politics. We hope to live to see the day when it will be truly an honor to hold a public office.

Rev. W. C. Foster preached at Antioch Sunday afternoon to a good-sized audience. Messrs. Ernest Page, Pratt Watson and F. B. Watson were elected delegates to the association which convenes at Dillon next week. The Ladies' Co-operative Club met Friday afternoon at the school house. Miss Mattie Price was elected a delegate to the Federaton at Hamer on October 1th.

Mr. Corey Watson, of Savannah, Ga., is spending a few days with his parents here. We were glad to see our old friend, Mr. G. E. Bond, and family at Dillon on last Tuesday.

Mrs. Summery, Mrs. Edwards, of Latta, and Miss Carpenter, of Dilloak, were visitors at Antioch Sunday. Mr. and Mrs. D. M. Watson, with Miss Mattie Price, were visitors at the home of Mr. and Mrs. S. S. Turbeville Saturday.

Mr. Marcus Hamer and family have recently moved into town, and we are glad to have them with us. Mr. and Mrs. O. R. Edwards were in Sellers Sunday. Friends were glad to see Hon. James Norton, of Mullins, in Sellers recently.

## SAYS RESERVE BANKS WILL HELP FARMERS

Secretary Houston Denies That He Is Opposed to Export Corporation.  
Washington, Oct. 4.—Senator Smith, of South Carolina, issued a statement tonight saying he had conferred today with Secretary Houston and Governor Harding, of the Federal Reserve Board, and had been assured that the Federal Reserve system would "lend all deittigate aid in reaccounting the paper based on cotton sent in by member banks."

The senator's statement said his conference had been prompted by conflicting reports as to what had transpired at a recent meeting between representatives of the American Cotton Association and treasury officials. Governor Harding, it added, had reiterated to the senator what he said to the cotton men, while Secretary Houston denied that he was opposed to the formation of an export corporation by the cotton association.

"It was stated," the statement continued, "that there was an inordinate demand for credits from practically every line of business in America; that our export business was being endangered by American credits on account of the unsatisfactory conditions of foreign exchange, these conditions resulting in an unprecedented drain upon the financial resources of the country, the Federal Reserve system included."

Senator Smith suggested a lower discount rate for farmers owing to the time required for production of a marketable crop and said Governor Harding had promised to take the matter under advisement. "Let the southern banks and merchants continue to co-operate with the farmers as they have been doing," the senator's statement continued, "and the problems will be solved. The world needs every bale of cotton that is produced and more. The south should not be stampeded, but steadfastly demand her price and get it."

Mr. Charlie Allen, of Clito, passed through Dillon Tuesday evening en route to Philadelphia to visit his brother.